



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

*Aviation Services Division and Airports Division
Multi-Modal Transportation Services Bureau
Michigan Department of Transportation*

Report Number:
59-190-03

Released:
November 2004

The Multi-Modal Transportation Services Bureau administers the State airport development program, which provides project management for the programming, planning, safety evaluation, and construction of airports. Also, the Bureau's responsibilities include providing overall administration and direction for aviation programs; assisting communities and aviation interests in aeronautical matters; providing air transportation services to State personnel; coordinating accounting and administration functions; inspecting public use airports; and licensing and/or registering airports, flight schools, aircraft dealers, and aircraft.

Audit Objective:

To assess the effectiveness and efficiency of the Bureau in administering aviation programs and airport and aviation development in the State.

Audit Conclusion:

The Bureau was generally effective and efficient in administering aviation programs and airport and aviation development in the State.

Reportable Conditions:

The Bureau needs to establish additional controls over the operation and monitoring of State-owned airports. Also, the Bureau should record accounting activities on the State's accounting system while operating State-owned airports. (Finding 1)

The Bureau did not ensure that airport consulting engineers submitted dated and timely reports of construction progress, materials tests, and certification results (Finding 2).

The Bureau did not assess the required financial penalty to aircraft owners or document the reason for the waiver of the penalty and did not assess the financial penalty to flight school operators who failed to pay the appropriate fees by the due date (Finding 3).

The Bureau did not always document its activities to help ensure that the airport manager and assistant manager tests were properly administered and that the airport license applications were complete (Finding 4).

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Audit Objective:

To assess the effectiveness of the Bureau in providing aviation services technical support to airports and communities.

Audit Conclusion:

The Bureau was generally effective in providing aviation services technical support to airports and communities.

Reportable Conditions:

The Bureau had not established written goals for the safety and education program and had not developed a formal process to evaluate the safety and education seminars (Finding 5).

The Bureau needs to develop and implement a policy for the frequency of flight school inspections (Finding 6).

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Audit Objective:

To assess the effectiveness and efficiency of the Bureau in maintaining and operating a fleet of State aircraft.

Audit Conclusion:

The Bureau was generally effective and efficient in maintaining and operating a fleet of State aircraft.

Reportable Condition:

The Bureau had not performed formal, periodic evaluations to determine its optimum fleet size (Finding 7).

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Agency Response:

Our audit report includes 7 findings and 8 corresponding recommendations. The Michigan Department of Transportation's preliminary response indicated that it agreed with all the recommendations but disagreed with part of one finding.

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A copy of the full report can be
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or by visiting our Web site at:
<http://audgen.michigan.gov>



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